THE Demand and Price SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
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MEASURES OF FACTORY WORKERS' EARNINGS, UNITED STATES, 1909-41

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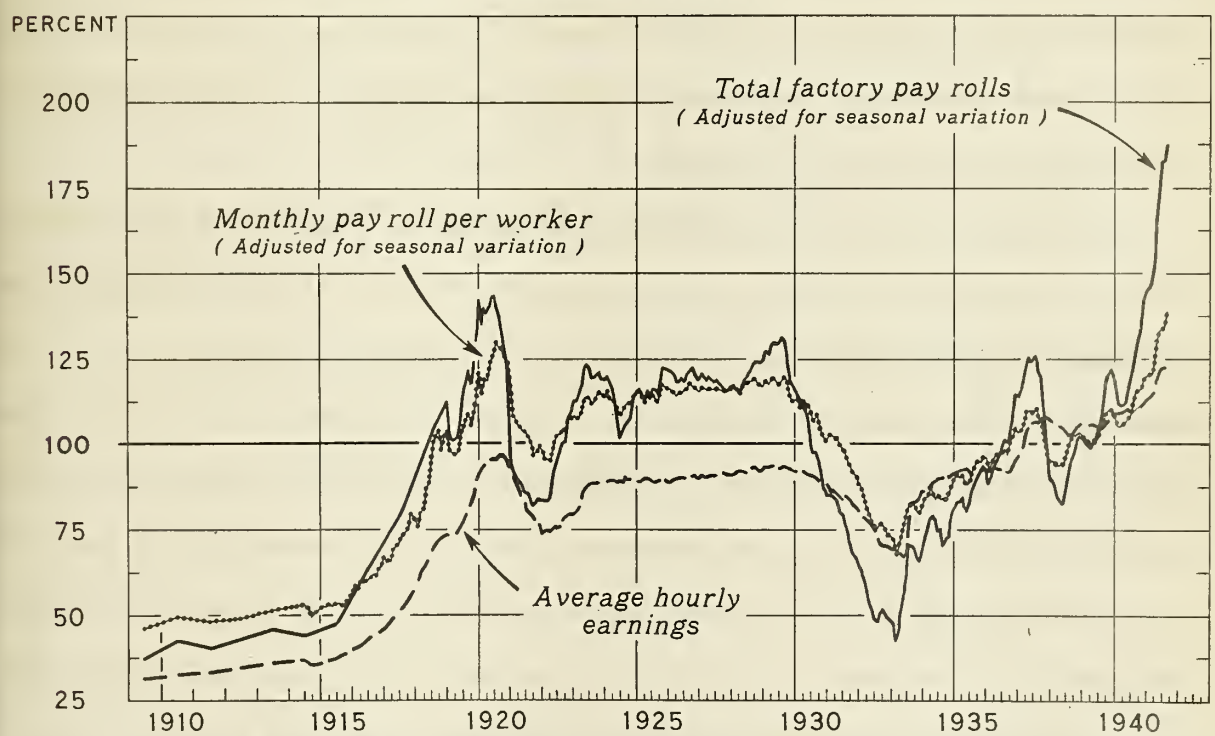

BASED LARGELY ON B. L. S. DATA

MONTHLY DATA, EXCEPT ANNUAL DATA FOR TOTAL PAY ROLLS 1909-18, AND PAY ROLL PER WORKER AND HOURLY EARNINGS 1909-13

U. S. DEPARTMENT OF AGRICULTURE NEG. 39704 BUREAU OF AGRICULTURAL ECONOMICS

CHANGES IN THE MONTHLY PAY ROLL PER FACTORY WORKER REFLECT CHANGES IN HOURLY WAGE RATES AND THE NUMBER OF HOURS WORKED PER WEEK. CHANGES IN TOTAL PAY ROLLS REFLECT ALSO FLUCTUATIONS IN EMPLOYMENT. DURING THE FIRST 2 YEARS OF THE PRESENT WAR HOURLY EARNINGS ROSE AT ABOUT THE SAME RATE AS DURING THE FIRST 2 YEARS OF THE WORLD WAR, BUT TOTAL FACTORY PAY ROLLS ADVANCED MUCH FASTER BECAUSE OF A GREATER INCREASE IN EMPLOYMENT AND IN THE NUMBER OF HOURS WORKED PER WEEK.

SUMMARY

The demand for farm products is expected to show some improvement over recent levels during the next few months. After allowing for seasonal movements, some additional increase in industrial production and employment should occur during the winter, bringing further gains in consumer income. Food-for-defense purchases are expected to be increased, and some recovery from the recent slump in speculative demand is indicated.

The slowing of improvement in consumer demand in recent months has resulted from changes of only about seasonal proportion in industrial production and industrial employment. There has been a continued steady advance in food-for-defense buying.

In future months the reduction in output of some civilian industrial goods is expected to become more pronounced but increases in defense output probably will be sufficient to result in a rise in the seasonally corrected Federal Reserve index of industrial production. Defense expenditures have been increasing about 200 million dollars per month since July and in October totaled 1,527 million dollars compared with 237 million dollars a year earlier. The physical volume of processed goods represented by defense and exports is estimated to have been more than twice as large in October as a year earlier.

Although the growth in defense production recently has been at the expense of durable civilian goods - automobiles, household equipment, private housing, etc. - the average earnings of industrial workers have increased steadily, probably as a result of higher average wage payments in defense jobs and increased overtime payments. As a result of this situation the money-buying power of consumers has continued to increase.

The general level of wholesale commodity prices has shown no definite trend during the past 2 months, reflecting a relapse in prices of farm

products sufficient to offset continued moderate gains in the composite index of wholesale prices exclusive of farm and food products. There has been little net change in wholesale prices of food during the period. The decline in prices of some farm commodities such as hogs is partly seasonal and there has been a lessening of speculative enthusiasm in agricultural commodity markets. The pressure of improving demand probably will cause the farm and food products to again join the general advance in commodity prices, but the rise in them is likely to be much more moderate than during most of 1941. Nonagricultural commodity prices have continued to advance during the past 2 months but at a more moderate rate than before. The rise has been held in check by price ceilings and priority limitations on civilian demands for the principal commodities not in ample supply. The upward pressure on prices will continue.

The composite index of prices received by farmers was unchanged in mid-October at the September level, and on the basis of price changes in wholesale markets there was apparently no large change in the general level between mid-October and November. Farm income from marketings increased 15 percent more than is usual for the season between June and September, when prices received were advancing and marketings were moving toward the October seasonal peak. It is possible that the seasonal decline in income from October to December may be slightly more than usual as a relatively large volume of wheat, cotton and tobacco have already moved to market and prices received are no longer generally advancing as they were earlier.

-- November 17, 1941

The situation by commodities is as follows:

Wheat: Quantities of wheat large enough to become a price-strengthening factor are being placed under loan. Market prices are now slightly above loan values in

Kansas City and St. Louis but below in Minneapolis and Portland. Current prices are slightly higher than a month ago, reflecting weakness in soybean and corn prices.

Cotton: Numerous factors affected cotton prices during the month ended November 14 and their combined net effect was slightly depressing. During the period the price of Middling 15/16 inch cotton in the 10 markets fluctuated within the narrowest range (71 points) since the month ended March 14. At the close of the monthly period the 10-market average was 16.39 cents, 36 points below the level a month earlier. Through November 8 a total of 554,000 bales of cotton had entered the 1941 loan. This was only about two fifths as large as the quantity which had entered the 1940 loan by the same date a year ago. In October cotton consumption reached a record total of 954,000 bales compared with 876,000 in September. Exports totaled 162,000 bales in October compared with 189,000 bales in September.

Feed grains: The advance in feed prices since mid-October, after a decline during the preceding 6 weeks, reflects a strong demand from feeders and speculators. The price of corn, and to some extent other feeds, will be supported by the loan on 1941 corn which will average 74.8 cents per bushel in the commercial area. Feed supplies are the largest in 20 years.

Hogs: The market movement of the 1941 spring pig crop is now under way, and supplies of hogs will increase seasonally for another month or so. Hog slaughter in the first quarter (October-December) of the 1941-42 marketing year is expected to be smaller than a year earlier, but in the last 3 quarters it probably will be larger. Hog prices in early November were about $4.00 higher than a year earlier.

Beef cattle: The number of cattle fed during the coming winter and spring is expected to be smaller than the large number fed during the 1940-41 season. Cattle prices have declined moderately during the past 3 months, but prices have been well maintained in view of the exceptionally large supplies of slaughter cattle marketed this fall.

Lambs: The number of lambs fed during the 1941-42 feeding season probably will not be greatly different from the large number fed a year earlier. Lamb prices have declined since early September, but they are still materially higher than a year earlier.

Wool: Prices of domestic wools at Boston advanced in October following invitations for bids on large quantities of

wool cloth for Army use. Mill consumption of apparel wool in September reached a new high of more than 90 million pounds, grease basis. The high rate of consumption indicated through the early months of 1942 will be a strong supporting factor to domestic wool prices.

Dairy products: Production of milk and most manufactured dairy products is expected to continue larger than a year earlier, but butter production may be about the same or somewhat smaller. Because of the improved demand conditions, however, prices probably will continue higher than in the corresponding months of 1940-41.

Poultry and eggs: Supplies of turkeys for consumption are slightly smaller this fall than last, and wholesale prices of turkeys are averaging about one-fourth higher than a year ago. Supplies of chickens are much larger, but prices are averaging slightly higher. Egg prices are expected to continue considerably higher than a year earlier into 1942.

Fats and oils: The price of flaxseed declined fairly sharply in mid-October following announcement of the new Argentine trade agreement in which the duty on flaxseed is cut in half. With a Government loan available and with continuing high costs for imports, no further marked decline in flaxseed prices is likely this season. Reversing the trend of earlier months, prices of most domestic fats and oils declined in early October. Part of the loss was regained later in the month.

Fruit: Total fruit production this season probably will be about 5 percent greater than in 1940-41. A higher level of consumer demand in 1941-42 over 1940-41 and larger purchases by the Department of Agriculture are factors favorably affecting fruit prices this season.

Potatoes: Market prices of potatoes have advanced materially during recent weeks in response to smaller current and prospective supplies and increasing demand.

Truck crops: Smaller market supplies than in late 1940 of truck crops available for marketing and a higher level of consumer buying power have resulted in a substantially higher level of market prices this fall compared with last.

DOMESTIC DEMAND

The demand for farm products is expected to show some improvement over recent levels during the next few months. After allowance for seasonal movements, some additional increase in industrial production and employment should occur during the winter, bringing further gains in consumer income. Food-for-defense purchases are expected to be increased, and some recovery from the recent slump in speculative demand is indicated.

Since midyear, increases in production and nonagricultural employment have been little more than seasonal, but consumer incomes and food-for-defense buying have continued to advance steadily. On the other hand, speculative demand recently has declined. As a consequence of these partly offsetting influences, improvement in demand for farm products in recent months has been more moderate than it was earlier in the year, and there was weakness in numerous commodity markets in October. Future improvement in demand also is expected to be much more moderate than earlier this year when industrial activity was moving forward rapidly and the food-for-defense program was getting under way.

Industrial production, as measured by the seasonally adjusted Federal Reserve index, reached 159 percent of the 1935-39 average in June and in October was estimated at only 163, although defense output apparently increased by at least 40 percent. There apparently has been a reduction in the output of civilian goods. Further curtailment of civilian goods production, partly seasonal, is expected to at least offset the increases in defense production during the next few months. But total industrial output probably will not decline the usual 6 percent between October and January, and a rise in the corrected Federal Reserve index during this period to around 170 is indicated. Thereafter the usual seasonal trend is again upward until fall, but output in new defense plants and in those diverted to defense production is expected to increase sufficiently to at least offset reduced output of nondefense products, and a somewhat larger than seasonal rise in production for those months as a whole is probable.

The principal industries adversely affected to date by shortages of materials are automobiles and nondefense building, although household equipment, automobile tires, and other civilian products have been affected and the list will expand as defense needs grow. The effect of such shifts as these are apparent in the recent changes in the physical volume of output and factory employment but not yet in consumer income. The explanation is probably to be found in the growing proportion of total employment in the higher paid defense jobs, increased overtime payments, and expansion in service occupations. These conditions probably account largely for the continued advance in the total compensation of nonagricultural workers and the recent sharp rise in earnings of factory workers (see cover page chart and tables at end of this report).

Trends in defense expenditures and consumer incomes indicate that production probably would be considerably higher than it is now if materials were available. Defense expenditures reached 1,527 million dollars in October, compared with 287 million dollars a year earlier and 1,320 million dollars in September. The portion of processed goods represented by defense production is estimated to have trebled in the past year. Exports and defense together apparently now require about double the portion of the total production of processed goods which they required a year ago; and since total production has increased, the physical change has been even larger than this proportionate increase. Defense and exports are estimated to have accounted for about 15 of the 134 points of the Federal Reserve index of factory production in October 1940 and for about 38 of the 169 points in October 1941, leaving about 119 and 131 points, respectively, for domestic civilian use. Production available for civilian use apparently stopped

increasing around midyear, but the decline will be more pronounced when the full effects of priorities become apparent in automobiles, private building, and other durable goods for civilian use. However, increases in production of defense equipment probably will continue to more than take up the slack in civilian production.

A decrease in production of goods for civilian use does not necessarily mean an immediate reduction in the amount of goods available to consumers. Inventories of manufacturers, wholesalers, and retailers have been increased during the past year and except for some items stocks in general probably will be adequate for some time yet. Consumers also will be getting more services, such as amusements, utilities, and personal services. Thus, a moderate decline in the production of civilian goods need not result in a corresponding lowering of living standards.

WHOLESALE PRICES

The general level of wholesale prices has shown no definite trend since mid-September, following the broad advance of the preceding 6 months, but this halt to the general rise no doubt is temporary and the upward trend will be resumed.

The failure of the general level of wholesale prices to advance since mid-September reflects a relapse in prices of farm products sufficient to offset continued moderate gains in the composite index of prices of all commodities other than farm and food products. Wholesale prices of food products have shown little net change since early in September. The decline in prices of some farm products such as hogs is partly seasonal, and there has been a lessening of speculative enthusiasm in the agricultural commodity markets. On the other hand, consumer demand, as measured by various income series, has continued to increase and there has not been, nor is there prospect of, any lessening in purchases under the food-for-defense program. The effect of these offsetting influences on farm product prices has been a temporary decline and on food prices a halt to the advance, but over the longer term the pressure of improving demand - consumer, export, and probably speculative - probably will cause the farm and food groups of products to again join the general upward movement. This rise, however, is likely to be much more moderate than during most of 1941 when demand conditions were improving very rapidly and the effects of revisions in farm programs and development of the food-for-defense program were important factors.

Nonagricultural commodity prices have continued to advance since mid-September at a somewhat slower rate than before. Many of these commodities are not in sufficient supply for both defense and full civilian needs, but price rises of many have been held in check by price ceilings and limitations on civilian demands through priorities. Further governmental action of this nature may prevent rapid price advances, but the pressure will continue definitely upward.

PRICES AND INCOME RECEIVED BY FARMERS

The advance in prices received by farmers, which carried the composite index from 103 in March to 139 in September, was halted in October.

The October index was the same as that for September, and it appears that the general advance in prices received by farmers has not yet been resumed. There have been further price gains for some farm commodities since last month, according to price movements in wholesale markets, including prices of dairy products, eggs, feed grains, potatoes, and a few minor income-producing items. These indicated price advances, however, probably have been at least offset by moderate declines, largely of a seasonal nature, in prices of meat animals, citrus fruits, and tobacco. There probably has been little net change over the past month in prices received for wheat and cotton.

In October, income from farm marketings reached a seasonal peak, but the increase between September and October was not as large as usual. The proportion of the total crops of such important commodities as cotton and tobacco which was marketed prior to October was somewhat larger than usual so that marketings in October increased less than seasonally, and there was no further general advance in prices received by farmers.

During the last 2 months of 1941 the seasonal decline in farm income from marketings is expected to be somewhat larger than usual. The portions of the cotton and tobacco crops remaining for market are relatively small, there appears to be a tendency to hold back range cattle, and prices received by farmers in general are no longer advancing. In contrast to the early movement of some of the important cash crops previously mentioned, weather conditions have resulted in delayed marketings of wheat from the western part of the Belt, and of corn and soybeans. Should improved weather conditions permit a freer movement to market of these grains during the remainder of 1941, the retarding effects on income of the relatively small amounts of cotton and tobacco remaining for sale would be partly offset.

HOGS

The market movement of the 1941 spring pig crop is now under way, and supplies of hogs will increase seasonally for another month or so. Since early September the weekly rate of hog slaughter has increased about as rapidly as it did during the early fall last year, but at a level about 8 percent under a year earlier. Slaughter supplies of hogs during the first 3 months (October-December) of the 1941-42 marketing year are expected to be smaller than a year earlier, but in the second quarter (January-March) they probably will be larger. In the second half (April-September) hog marketings and slaughter are expected to be materially larger than in the second half of 1940-41.

The number of hogs slaughtered under Federal inspection during October totaled 4,157,000 head, 42 percent more than in September but 7 percent less than in October last year.

Hog prices strengthened a little in late October and early November following the decline of the preceding several weeks. The average price of butcher hogs at Chicago for the week ended November 8 was $10.40 compared with $11.95 in early September and $6.30 in the corresponding week of 1940. Despite the decline in hog prices since early September, the hog-corn price ratio has continued at a fairly high level. The ratio based on

Chicago prices for the week ended November 8 was 14.0 compared with the long-time average of 11.6. This favorable ratio probably is being reflected in a material increase in the number of sows bred for farrow next spring.

October purchases of hog products by the Department of Agriculture amounted to 119 million pounds, raising the total since last March to 385 million pounds of pork and 271 million pounds of lard. These quantities are equivalent to the pork from approximately 3.5 million hogs and the lard from about 9 million hogs. Inspected hog slaughter during the March-October period totaled nearly 28 million head.

CATTLE

Indications now are that the number of cattle fed during the coming winter and spring will be somewhat smaller than the large number fed during the 1940-41 feeding season. Shipments of stocker and feeder cattle to the Corn Belt so far this season (since July 1) have been materially smaller than a year earlier. Range and feed conditions in the Western States have been good and cattle marketings from most western areas this fall have been less than last fall. Although shipments of western cattle into the Corn Belt may be fairly large during November and December, the increase will not be great enough to offset the decrease of the past 4 months. But the decrease in the number of cattle fed in the Corn Belt this season probably will not be so large as the decrease in shipments of feeder cattle, because of prospective increases in feeding of cattle raised in the Corn Belt.

Marketings of well-finished grain-fed cattle probably will continue large during the remainder of 1941, but a considerable decrease is probable in the early months of next year. And the trend in prices of better grades of slaughter cattle may be upward in the first half of 1942 in marked contrast to the sharp downward trend in the first half of 1941.

Prices of slaughter cattle have fluctuated about a moderate downward trend for the past 3 months. The decline has not been great, however, and prices have been well maintained in view of the exceptionally large supplies of slaughter cattle this fall. This situation reflects the marked improvement in consumer purchasing power and domestic demand for meats during the past year. The average price of good grade beef steers at Chicago for the week ended November 8 was $11.10 compared with $11.50 a month earlier and $11.75 in the corresponding week of 1940.

Marketings of slaughter cattle increased sharply in October. The number of cattle slaughtered under Federal inspection during the month totaled 1,119,000 head, 11 percent more than in September and 16 percent more than in the corresponding month of 1940. It was the fourth largest slaughter under Federal inspection for October on record. Marketings of calves for slaughter also increased sharply in October. Inspected calf slaughter for the month totaled 536,000 head, 20 percent more than in September and 6 percent more than in October last year. So far in 1941 (January-October) inspected cattle slaughter has been about 12 percent larger than a year earlier. A large part of the increase has been in supplies of grain-fed cattle.

LAMBS

It now appears probable that the total number of lambs fed during the 1941-42 season will not differ greatly from the record number fed a year earlier. But because of unfavorable weather conditions this fall, the number of lambs remaining on feed on January 1 may be larger. Shipments of feeder lambs into the Corn Belt were quite large during October, and total inshipments during the 4 months July-October were only a little smaller than a year earlier. The number of lambs fed in Colorado this season will be considerably larger than a year earlier, but the number fed in the other Western States may be smaller. Shipments of feeder lambs from Texas have been much smaller this fall than last, indicating a strong tendency to hold back lambs in that State for marketing next spring as shorn yearlings.

Marketings of sheep and lambs increased seasonally in October, but slaughter for the month was smaller than a year earlier for the first time this year. The number of sheep and lambs slaughtered under Federal inspection during October totaled 1,682,000 head, 7 percent more than in September but 3 percent less than in October last year. So far in the 1941 spring lamb marketing season (May-October) inspected slaughter of sheep and lambs has been about 4 percent larger than a year earlier.

Lamb prices advanced to the season's peak in early September but since then have weakened considerably. The average price of good and choice grade slaughter lambs at Chicago in early November was $11.27, compared with $11.70 a month earlier and $12.55 2 months earlier. Prices of feeder lambs also have weakened somewhat during the past 2 months, but prices of both slaughter lambs and feeder lambs are still materially higher than a year earlier.

WOOL

Price advances of 2 to 4 cents a pound, scoured basis, in October carried quotations on domestic wools at Boston close to the highest levels in more than a decade. The price advance followed invitations for bids on large quantities of wool cloth for Army use. Mill consumption of apparel wool in September reached a new high of more than 90 million pounds, grease basis. With Government requirements still large, consumption is likely to continue close to record levels through the early months of 1942 and be a strong supporting factor to domestic wool prices.

Stocks of apparel wool held by United States dealers and manufacturers on September 27 totaled 377 million pounds, grease basis. This total includes 21 million pounds of wool afloat to United States dealers and manufacturers; it does not include Australian wools stored under Government supervision in this country as a strategic reserve. The end-of-September stocks this year were more than 100 million pounds larger than at the corresponding dates in 1939 and 1940 and were the largest in recent years, but they were not unusually large in relation to the current rate of mill consumption.

Imports of apparel wool for consumption totaled 445 million pounds in the first 8 months of this year, compared with 118 million pounds in the

corresponding months of 1940. Imports have declined seasonally since April, but they are expected to increase again in the late fall and winter. The major part (60 percent) of United States imports of apparel wool for consumption in 1940-41 came from South America. Argentina also has been the leading source of United States imports of carpet wool in the last few years.

Exports of wool from Argentina and Uruguay in the 1940-41 season (October-September), totaling 563 million pounds, were 45 percent larger than in 1939-40 and were larger than in any previous year. About 83 percent of the season's exports were to the United States.

CORN AND OTHER FEED

Prices of feed grains and most of the byproduct feeds have advanced since mid-October, after having declined during September and the first half of October. The price of No. 3 Yellow Corn at Chicago averaged 73.5 cents per bushel for the week ended November 8, 6 cents per bushel higher than the average for the week ended October 18. From the week ended October 18 to the week ended November 8 No. 3 White Oats at Chicago advanced 7 cents, and No. 3 Barley at Minneapolis, 19 cents per bushel. Prices of wheat millfeeds and important high protein feeds advanced $2.00 to $4.00 per ton during the past 2 or 3 weeks. Prices of all feeds are considerably higher than a year ago, but corn has advanced relatively less than other feeds. Unfavorable weather for harvesting corn may be partly responsible for the contra-seasonal advance in corn prices since mid-October, but strong demand and the higher loan on 1941 crop are supporting factors.

The seasonally adjusted butterfat-feed and feed-egg price ratios have become less favorable to producers of dairy and poultry products since summer. The ratio between the prices of butterfat and feed was a little less favorable to dairymen in mid-October than average, and the ratio between the price of eggs and feed was near average on that date. The United States hog-corn price ratio continues well above average.

The 1941 corn crop was indicated at 2,675 million bushels on November 1, an increase of 50 million bushels over production indicated on October 1. The supply of feed grains on October 1 was 120 million tons--the largest supply in over 20 years, 4 million tons larger than the big 1932 supply and about 5 million tons larger than the supply last year. Assuming that the number of grain-consuming livestock will increase about 5 percent during 1941, the October 1 feed-grain supply per animal unit would be slightly smaller than that of last year but 18 percent above the 1928-32 average. Excluding the quantity of corn sealed on October 1, the supply is about 8 percent above average.

WHEAT

Cash wheat prices in mid-November were generally slightly higher than a month earlier. Prices declined sharply on October 16, reflecting adverse foreign news, but this loss was recovered within a few days. Price fluctuations since then have reflected price changes in soybeans and corn and proposed price control legislation. Compared with loan values, prices at Kansas City and St. Louis are 2 and 3 cents, respectively, above, while

those at Minneapolis (hard spring) and Portland are 7 and 11 cents, respectively, below.

The loan program is the most important factor in determining the general wheat price level, and as supplies of free wheat are further reduced it is expected that prices will strengthen. At present there are over 300 million bushels under loan, and on the basis of current prices compared with loan values this quantity probably will approach 400 million bushels before the December 31 expiration date. The 278 million bushels placed under loan out of the 1940 crop constituted about 43 percent of that part of the crop not used on farms where grown. A similar percentage of the 1941 crop would total about 350 million bushels.

Of the 387 million bushels of old wheat carried over on July 1, 1941, 170 million bushels were in the Government pool and 12 million bushels in insurance stocks, leaving about 200 million bushels of free wheat for sale or nongovernmental storage. Adding an indicated crop of about 960 million bushels gives a total free supply at the beginning of the season of about 1,165 million bushels. Considering that about 165 million bushels may be used on farms where grown for seed, feed, and food, about 500 million bushels by mills and about 100 million bushels for inventories and in transit from the close of the 1941-42 marketing year to the time that the 1942 crop will be used, a total movement of 400 million bushels into storage would account for about all of the indicated free supply at the beginning of the season.

FATS, OILS, AND OILSEEDS

The duty on flaxseed and duties and excise taxes on imports of oleo oil and stearine, tallow, neatsfoot oil, and edible sunflower oil have been cut in half under the terms of the new trade agreement with Argentina, effective November 15. Except for flaxseed, the United States normally does not import any of these commodities in appreciable quantities. But with relatively high prices for fats and oils prevailing in the United States, and with demand increasing, it is probable that imports will be stimulated if adequate shipping space is available.

Although the duty on flaxseed was reduced to 32.5 cents per bushel, provision is made in the trade agreement to increase the rate to 50 cents after the present abnormal situation is passed. The duty and excise tax reductions in the case of sunflower oil may be canceled on 6-month's notice after conclusion of the Anglo-German conflict.

The effect of the changes in duties and excise taxes on prices is likely to be obscured by changes in other factors. The price of flaxseed declined fairly sharply in mid-October following announcement of the agreement. But with a Government loan available and with continuing high costs for imports, no further marked decline in flaxseed prices is likely this season.

Reversing the trend of earlier months, prices of most domestic fats and oils declined in early October. Russian military reverses and uncertainty concerning price-control legislation were unsettling factors. Part of the loss was regained later in the month.

The ocean shipping situation has improved in recent months. Imports and exports of fats, oils, and oilseeds in August and September were materially larger than those of a year earlier. Factory production of fats and oils from domestic materials was nearly 20 percent greater in the third quarter this year than last. But consumption also was increased, and stocks were reduced during the quarter.

COTTON

Various factors affected cotton prices during the month ended November 14 and their combined net effect was slightly depressing. During the month the class of Middling 15/16-inch cotton in ten markets fluctuated within the narrowest range (71 points) since the month ended March 14 and at the close of the period averaged 16.39 cents per pound or 36 points under a month earlier. The principal factors of strength during the past month have been: (1) continued holding by farmers and first buyers, (2) a record rate of consumption, and (3) anticipated scarcity of certain qualities of fiber. Factors of a price-depressing nature included: (1) foreign political and military developments, (2) slowness in cloth markets, (3) the large supply of "free" cotton resulting from the small movement of new cotton into the 1941 Government loans. Price-control legislation and other factors also have affected the day-to-day price fluctuations but appear to have had little net effect on prices during the past month.

In most recent years the domestic market has tended to take a definitely superior quality of cotton to that exported. However, domestic consumption now accounts for a much greater proportion of the total disappearance than formerly. In the absence of a corresponding improvement in the composition of our total supply (according to the latest official report the grade is lower than normal and the staple slightly longer), there has been a growing belief according to trade reports, that many mills may find it difficult to obtain the quantity of high quality cotton that they will desire. Both this and the tendency for margins over Basis 15/16-inch cotton to widen as the general level of price rises are probably reflected in the higher premiums for the better qualities of cotton. With the premium of the spot price over the loan rate considerably larger for the higher qualities than for the poorer, there is an incentive to sell the higher qualities and put the poorer in the 1941 Government loan. With the ceiling prices of cotton cloth presumably based in part on the normal premiums and discounts from Basis 15/16-inch of the kinds of cotton normally used in each of the various constructions, any widening or narrowing from normal of the premiums or discounts will tend to widen or narrow the manufacturers' gross margin.

In October cotton consumption reached a record total of 954,000 bales compared with 876,000 in September. Exports totaled 162,000 bales in October compared with 189,000 in September. Through November 8 a total of 554,000 bales of cotton had entered the 1941 loan. This was only about two-fifths as large as the quantity which had entered the 1940 loan by the same date a year ago.

DAIRY PRODUCTS

Largely because of the recent decline in butter prices, butter has been restored to the list of commodities which can be purchased with blue

stamps. Increased production of butter this year and relatively high prices, which have tended to restrain consumption, have resulted in a piling up of storage stocks; also, unlike the situation in cheese and evaporated milk, there has been no large increase in butter exports. Storage stocks of butter on October 1 were 58 percent larger than a year earlier and out-of-storage movement during October was smaller. Partly as a result of the large stocks, butter prices declined rapidly in October while prices of cheese and evaporated milk, with export demand strong, remained steady. However, butter production during recent weeks has been 2 to 4 percent smaller than a year earlier, and with the increased demand due to blue stamp purchases wholesale prices may continue to advance seasonally from the low point reached in mid-October until sometime in December.

Total milk production on November 1 was 4 percent larger than on the same date in 1940 but milk production per cow was only 1 percent larger. American cheese production during September was 24 percent larger than a year earlier and during the week ended November 6 was 30 percent larger. Evaporated milk production in September was 40 percent larger than in September 1940. So far this year production of dry skim milk for human consumption has been 17 percent larger than in 1940.

Since March 15 the Department, under the food-for-defense program, has purchased a total of 108 million pounds of cheese, 10 million cases of evaporated milk, 28 million pounds of dry skim milk, and 2.6 million pounds of dry whole milk. During the period October 4 to November 1, purchases of both cheese and evaporated milk were considerably larger than in any other 4-week period since the purchase program began.

POULTRY PRODUCTS

Supplies of turkeys for consumption are almost as large this fall as the record supply of 1940; wholesale prices of turkeys are averaging about one-fourth higher than a year ago. Supplies of chickens are considerably larger than they were last fall, but prices are averaging slightly higher. Marketings of chickens in recent weeks have been about the largest on record, and although current consumption is at a very high rate storage stocks are accumulating more rapidly than usual. Total stocks of poultry on November 1 were 12 percent above the previous record for that date in 1940. The seasonal peak in holdings will be reached early in January.

Marketings of chickens will continue heavier than a year earlier into 1942 because of the late hatch this year. Commercial broiler output apparently is continuing even larger than the previous record output last fall. Chicken prices are expected to resume an upward trend after the heavy fall marketings, and for 1942, as a whole, prices received by farmers for chickens probably will average higher than in 1941.

Egg production is continuing even larger than the record output a year ago. On November 1 total egg production was about 9 percent larger than a year earlier. Receipts of eggs at midwest primary markets in recent weeks have been more than twice as large as a year earlier. But because of the heavy egg-breaking operations in that area, receipts at terminal markets are continuing a little smaller than a year ago. Storage withdrawals of eggs

had been running considerably below normal but in recent weeks increased considerably and are now about as large as those of a year ago. Total stocks of eggs on November 1 were about 12 percent larger than on November 1, 1940.

Egg prices advanced further during the past month; wholesale prices of fresh firsts at Chicago now are about 36 cents, around 55 percent higher than at this time last year. Because of the stronger demand and increased purchases for lend-lease requirements, egg prices are expected to continue considerably higher than a year earlier well into 1942.

FRUITS

Total fruit production this season probably will be about 5 percent larger than in 1940-41. Indications are that a smaller production of citrus fruits will be more than offset by an increased production of deciduous fruits. A higher level of consumer demand in 1941-42 over 1940-41 and larger purchases by the Department of Agriculture are factors favorably affecting fruit prices this season.

Commercial apple production is now estimated to total 126.1 million bushels compared with 114.4 million last year, and the 1934-39 average of 125.3 million bushels. The average price in the 1934-39 period was 80 cents. It is probable that the effects on apple prices in the 1941-42 season of a higher level of consumer income and larger purchases by the Department of Agriculture will more than offset the effects of increased supplies of apples and competing fruits and of decreased exports this year compared with the average for the period 1934-39. Market prices of apples in the week ended November 7 were roughly 5-15 percent above those in the comparable week last year.

On October 1 it was estimated that the pear crop would total 30.8 million bushels compared with 31.6 million in 1940. The price situation for fall and winter pears is more favorable than a year earlier since production of these varieties is about 1.1 million bushels smaller and consumer demand is about 25 percent higher than at this time last year. It is likely that the winter Nelis variety will be the only one that may encounter marketing difficulties.

On November 1 it was estimated that the production of winter and early spring oranges would total 54.7 million boxes, grapefruit 40.3 million boxes, and lemons 14.6 million boxes. Last year winter and early spring orange production totaled 54.1 million boxes, grapefruit 43.0 million boxes, and lemons 17.1 million boxes. Market prices of Florida oranges and grapefruit in the first week of November averaged considerably higher than in the comparable week last year.

POTATOES

Market prices of potatoes advanced considerably in recent weeks in response to smaller marketings and increasing demand. Prices in eastern markets rose about 40 cents per 100-pound bag between the first week in October and the first week of November while those in midwestern markets rose from 5 to 25 cents. The markets are rapidly becoming adjusted to the smaller supply of late potatoes available this season compared with last. The late summer and early fall supplies were relatively heavy this season and forced prices to comparatively low levels.

The preliminary estimate of the late crop is for 297 million bushels, about 16 million less than in 1940 and 1 million less than the 10-year (1930-39) average. In the eastern group of States the late crop is slightly larger than in 1940 but about average; in the central and western groups the crop is smaller than either last year's output or the recent 10-year average. Although a small part of the late crop has already been marketed, the bulk is yet to move. Usually a large portion is stored for winter and spring marketing and represents the principal source of market supplies from now unti April or May.

There was little change in the winter supply prospect for sweetpotatoes during the last month. The crop estimate was increased slightly but the total remains below average. This year's output is about 9 million bushels larger than in 1940. There is a decrease of 1.5 million bushels in the Central Atlantic States, but a 9-million bushel increase in the South Central group and slight increases in the other important areas are reported. Market prices were nearing a seasonal low level in early November.

TRUCK CROPS

Because of slightly smaller supplies available and a higher level of consumer buying power than in late 1940, truck crop prices in general were sharply higher in early November this year than in early November of 1940.

Most of the late 1941 crops have been harvested and a few storable items have been moved under cover. Some of the earliest new crops grown in the South have started to move to market. In general weather conditions in some of the more important southern areas have not been favorable but in the far Southwest good growing weather has been reported.

Indications point to materially smaller fall crops than in 1940 of snap beans, kale, and spinach, but the output of fall cabbage, cucumbers, eggplant, tomatoes, and shallots, probably will be substantially larger. The production of carrots, cauliflower, celery, lettuce, and green peppers, probably will be about the same as that of a year earlier. These supplies will supplement the storage supplies from the late 1940 crops, and represent the principal source of marketings during the next 2 months. The prospect, therefore, is that truck crop prices probably will continue on a relatively high level.

Table 1.- Factory employment, United States, 1919 to date 11.3.41
Index numbers, 1935-39 = 100, not adjusted for seasonal variation

Annual, 1909-18

1909, 81.2; 1910, 84.7; 1911, 84.6; 1912, 88.1; 1913, 88.9; 1914, 85.6; 1915, 89.5; 1916, 104.6; 1917, 111.2; 1918, 113.2.

Monthly and annual, 1919 to date

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
1919	106.7	103.3	103.8	104.0	104.8	106.1	108.8	111.6	113.6	113.2	114.5	116.3	108.9
1920	116.7	115.7	118.0	116.4	113.4	112.4	109.8	109.7	108.3	104.2	97.6	89.9	109.3
1921	81.2	83.4	84.6	84.0	83.7	82.9	81.4	82.8	84.7	85.5	85.5	84.4	83.7
1922	84.1	86.3	87.6	87.5	89.7	91.5	92.4	95.1	97.1	98.6	100.1	101.2	92.6
1923	102.3	104.6	106.8	107.3	107.4	107.9	106.8	107.0	107.5	106.2	105.0	103.2	106.0
1924	102.2	103.8	104.0	102.2	98.8	95.8	92.5	93.9	96.2	97.0	96.5	98.1	98.4
1925	98.6	100.4	101.3	101.2	100.7	100.5	100.4	102.1	104.0	104.8	104.3	103.9	101.9
1926	103.1	104.1	104.7	103.9	102.9	102.9	101.8	103.9	106.2	105.8	103.7	102.4	103.8
1927	100.7	102.3	103.0	102.4	101.7	101.8	100.7	102.0	103.3	102.3	100.1	98.5	101.6
1928	97.3	99.2	100.3	99.9	99.9	100.6	100.5	103.2	105.5	105.7	104.8	104.2	101.8
1929	103.8	106.3	107.6	108.9	108.7	109.0	109.6	111.5	112.6	111.3	106.8	102.8	108.2
1930	100.3	100.4	100.0	99.3	97.6	95.6	92.3	91.6	92.6	90.6	87.2	84.6	94.3
1931	81.8	82.5	82.9	82.9	82.3	80.5	79.3	79.5	79.9	77.1	74.2	73.5	79.7
1932	71.5	72.7	71.6	69.2	66.6	64.5	62.3	64.0	67.5	68.6	67.7	66.5	67.7
1933	64.6	66.1	63.6	65.2	68.2	73.1	77.8	83.0	86.8	86.4	82.9	81.2	74.9
1934	80.5	85.5	89.0	90.7	90.9	89.6	88.1	89.2	85.3	87.7	86.1	87.4	87.5
1935	88.5	91.5	92.9	93.1	91.8	90.2	90.6	93.6	95.9	97.2	96.6	96.2	93.2
1936	94.2	94.6	95.9	97.5	98.4	99.0	100.5	103.3	106.0	107.1	107.1	108.6	101.0
1937	106.9	109.9	112.4	113.6	113.8	112.6	113.1	114.6	114.6	112.6	106.4	99.8	110.9
1938	92.9	93.5	93.1	91.2	88.8	87.2	87.7	92.1	95.6	96.2	97.3	98.2	92.8
1939	96.5	98.1	99.0	98.9	97.9	98.4	98.6	101.6	105.9	109.6	109.8	110.1	102.0
1940	107.2	107.2	106.6	105.4	104.7	105.3	105.4	109.7	113.7	116.2	116.4	118.6	109.7
1941	117.9	120.3	122.4	125.3	127.4	130.5	133.3	135.6	138.5				
1942													

Bureau of Agricultural Economics

Beginning with 1919 these are Bureau of Labor Statistics index numbers reported on a 1923-25 base converted to 1935-39 = 100. The 1909 and 1914 index numbers also are based directly on Bureau of Labor Statistics data but for other years prior to 1919 they are based on estimates of Paul Douglas (Real Wages in the United States, 1890-1926). The average number of factory wage earners in the 1935-39 base period was 7,729,300.

Table 2.- Factory employment, United States, 1919 to date 11.3.41

Index numbers, 1935-39 = 100, adjusted for seasonal variation

Annual, 1909-18

1909, 81.2; 1910, 84.7; 1911, 84.6; 1912, 88.1; 1913, 88.9; 1914, 85.6; 1915, 89.5; 1916, 104.6; 1917, 111.2; 1918, 113.2.

Monthly and annual, 1919 to date

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual 1/
1919	108.6	104.8	103.7	104.2	105.1	106.5	109.5	110.8	111.8	111.7	113.9	116.7	108.9
1920	118.7	117.2	118.0	116.5	113.7	112.7	110.1	108.6	106.4	102.9	97.2	90.2	109.3
1921	82.4	84.3	84.5	84.2	84.0	83.3	81.9	82.3	83.4	84.2	84.8	84.6	83.7
1922	85.4	87.1	87.5	87.8	90.1	91.7	92.9	94.2	95.4	97.3	99.6	101.5	92.6
1923	103.8	104.9	106.1	107.1	107.7	108.3	107.8	106.9	106.0	104.9	104.6	103.7	106.0
1924	103.8	103.9	103.4	102.1	99.1	96.2	93.5	93.8	94.9	95.7	96.2	98.4	98.4
1925	100.2	100.7	100.8	101.1	101.1	101.0	101.5	101.8	102.0	103.2	104.1	104.6	101.9
1926	104.9	104.6	104.1	103.8	103.2	103.4	103.1	103.6	104.1	104.1	103.5	103.1	103.8
1927	102.5	102.9	102.5	102.3	102.2	102.2	101.8	101.7	101.2	100.5	100.0	99.4	101.6
1928	99.3	99.9	100.0	99.8	100.3	100.8	101.3	102.5	103.0	103.8	104.9	105.5	101.8
1929	106.4	107.2	107.5	108.6	108.8	109.3	110.4	110.7	109.6	108.8	106.6	104.0	108.2
1930	102.7	101.1	99.8	99.0	97.7	95.9	93.1	90.9	89.5	88.5	87.1	85.6	94.3
1931	84.1	83.1	82.8	82.7	82.4	80.9	80.4	79.1	77.6	75.5	74.1	73.9	79.7
1932	73.3	72.9	71.4	69.0	66.7	64.9	63.2	63.7	65.8	67.2	67.6	66.9	67.7
1933	66.3	66.4	63.5	65.1	68.5	73.7	79.0	82.7	84.5	84.6	82.9	81.8	74.9
1934	82.4	85.7	88.7	90.2	90.9	90.2	89.1	88.2	83.0	86.2	86.4	88.2	87.5
1935	90.8	91.9	92.5	92.6	91.9	91.1	91.9	92.9	93.9	95.0	96.2	96.7	93.2
1936	96.6	95.3	95.6	97.1	98.7	100.0	101.9	102.7	103.7	104.6	106.7	109.1	101.0
1937	109.6	110.7	112.1	113.3	114.2	113.5	114.6	113.9	112.5	110.1	106.0	100.3	110.9
1938	95.4	94.3	92.9	90.9	89.1	88.1	89.0	91.2	92.9	93.9	96.8	98.7	92.8
1939	98.8	98.8	98.7	98.6	98.3	99.3	100.5	101.0	102.9	107.0	109.3	110.5	102.0
1940	109.9	108.0	106.2	105.0	105.0	106.1	107.3	109.7	111.2	113.7	116.6	119.1	109.7
1941	120.8	121.1	121.9	124.6	127.5	131.4	136.1	135.8	135.3				
1942													

Bureau of Agricultural Economics. Compiled largely from Bureau of Labor Statistics index numbers of factory employment on 1923-25 base (corrected for seasonal variation by Federal Reserve Board) converted to 1935-39 base, although for years prior to 1919, except 1909 and 1914, they are estimated by use of data developed by Paul Douglas (Real Wages in the United States, 1890-1926). The average number of factory wage earners in the 1935-39 base period was 7,729,300. 1/ These are the averages of monthly index numbers before adjustment for seasonal variation and may differ slightly from averages of the corrected index numbers.

Table 3.- Factory pay rolls, United States, 1919 to date 11.3.41

Index numbers, 1935-39 = 100, not adjusted for seasonal variation

Annual, 1909-18

1909, 37.6; 1910, 42.3; 1911, 40.7; 1912, 43.2; 1913, 46.0; 1914, 44.3; 1915, 47.9; 1916, 63.5; 1917, 79.8; 1918, 103.8.

Monthly and annual, 1919 to date

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
1919	108.3	103.1	103.9	103.0	104.0	107.0	110.4	117.4	122.7	119.6	124.5	133.2	113.1
1920	137.5	135.5	144.8	141.2	142.0	143.6	138.5	139.2	137.3	132.1	121.2	110.3	135.3
1921	93.1	92.5	93.5	91.0	89.4	87.3	82.7	85.0	84.6	83.0	81.9	83.9	87.3
1922	80.4	83.7	85.9	85.0	88.9	92.4	92.6	97.1	100.4	102.4	106.4	109.1	93.7
1923	108.4	112.9	118.4	119.8	123.9	123.8	118.8	119.0	119.8	122.3	119.9	118.6	118.8
1924	114.2	120.6	120.6	117.8	112.7	106.1	98.5	102.9	106.7	109.2	107.5	112.7	110.8
1925	110.8	116.6	118.7	115.9	117.1	114.5	112.6	115.6	114.8	121.6	121.3	121.8	116.8
1926	117.3	122.0	123.8	121.1	119.5	119.7	114.8	119.8	121.3	124.7	120.4	119.6	120.3
1927	113.8	121.0	123.1	121.2	121.0	119.1	114.4	118.3	117.9	118.6	114.2	115.4	118.2
1928	111.5	117.8	119.5	116.9	118.1	118.6	115.7	120.8	122.6	126.4	122.6	123.4	119.5
1929	119.8	127.9	130.5	131.7	132.0	130.1	125.4	131.0	132.1	131.3	121.1	116.8	127.5
1930	111.4	115.0	115.1	113.7	110.9	107.3	98.1	96.7	97.9	95.7	89.2	87.0	103.2
1931	81.2	85.9	87.6	86.2	85.0	80.7	76.9	76.7	73.7	71.3	67.3	66.7	78.3
1932	62.3	64.0	61.9	57.3	54.0	50.5	46.6	47.8	50.8	52.9	50.3	48.9	53.9
1933	46.5	47.8	44.2	46.6	51.3	56.7	60.8	67.7	70.8	70.5	66.2	65.2	57.9
1934	64.8	72.6	77.6	80.4	80.5	77.8	72.5	75.2	70.2	73.9	72.2	76.4	74.5
1935	77.9	83.8	85.9	86.1	82.9	80.6	79.8	85.4	88.7	91.8	90.7	92.9	85.5
1936	88.8	88.4	92.9	95.4	97.0	97.2	96.4	100.8	100.7	107.3	109.0	114.5	99.0
1937	109.2	115.6	122.3	126.6	127.1	124.2	121.5	125.5	121.1	121.1	107.7	97.7	118.3
1938	87.0	89.7	89.8	86.8	85.0	82.7	82.8	89.9	95.0	98.1	98.5	101.7	90.6
1939	97.8	100.6	102.5	100.2	99.6	101.5	99.1	105.3	110.1	119.1	119.1	121.7	106.4
1940	115.2	114.6	115.2	113.0	112.9	114.9	113.4	121.8	128.8	134.1	134.5	141.3	121.6
1941	139.3	146.4	151.5	155.6	166.2	175.6	176.2	182.2	188.2				
1942													

Bureau of Agricultural Economics

Beginning with 1919 these are Bureau of Labor Statistics index numbers reported on a 1923-25 base converted to 1935-39 = 100. The 1909 and 1914 index numbers also are based directly on Bureau of Labor Statistics data and those from 1916-18 are computed largely by use of Bureau of Labor Statistics data, but use also was made of data developed by Paul Douglas (Real Wages in the United States 1890-1926). For the years 1910-13 they are based on Douglas' estimates and for 1915 on Douglas' estimates and State of New York Department of Labor data. The monthly average of factory wage payments during the 1935-39 base period was $711,921,000.

Table 4.- Factory pay rolls, United States, 1919 to date 11.3.41
Index numbers, 1935-39 = 100, adjusted for seasonal variation

Annual, 1909-18

1909, 37.6; 1910, 42.3; 1911, 40.7; 1912, 43.2; 1913, 46.0; 1914, 44.3; 1915, 47.9; 1916, 63.5; 1917, 79.8; 1918, 103.8

Monthly and annual, 1919 to date

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual 1/
1919	112.7	102.7	100.8	101.0	102.7	106.8	114.2	117.9	122.3	117.6	125.6	133.6	113.1
1920	143.0	135.1	140.4	138.5	140.3	143.4	143.3	139.8	136.7	129.9	122.4	110.6	135.3
1921	96.9	92.2	90.7	89.2	88.3	87.0	85.4	85.3	84.3	81.6	82.5	84.2	87.3
1922	83.6	83.5	83.4	83.4	87.9	92.1	95.7	97.4	100.1	100.7	107.4	109.4	93.7
1923	112.8	112.6	114.9	117.6	122.4	123.5	122.8	119.5	119.4	120.2	121.0	118.9	118.8
1924	118.8	120.3	117.1	115.6	111.3	105.9	101.8	103.3	106.2	107.4	108.4	113.0	110.8
1925	115.3	116.3	115.1	113.7	115.7	114.3	116.4	116.0	114.3	119.5	122.5	122.1	116.8
1926	122.0	121.7	120.1	118.8	118.1	119.5	118.7	120.3	120.9	122.6	121.5	119.9	120.3
1927	118.4	120.6	119.4	118.9	119.6	118.9	118.3	118.8	117.4	116.6	115.2	115.8	118.2
1928	116.0	117.4	115.9	114.8	116.7	118.3	119.6	121.2	122.1	124.3	123.8	123.8	119.5
1929	124.7	127.6	126.5	129.3	130.3	129.9	129.6	131.6	131.5	129.1	122.3	117.2	127.5
1930	115.9	114.6	111.6	111.6	109.7	107.0	101.5	97.1	97.6	94.1	90.0	87.3	103.2
1931	84.5	85.7	85.0	84.6	83.9	80.6	79.5	77.0	73.3	70.2	67.9	67.0	78.3
1932	64.9	63.7	60.0	56.2	53.3	50.3	48.3	48.0	50.6	52.0	50.8	49.1	53.9
1933	48.4	47.7	42.8	45.7	50.7	56.6	62.9	67.9	70.5	69.4	66.7	65.5	57.9
1934	67.4	72.4	75.3	78.9	79.5	77.7	74.9	75.5	70.0	72.6	72.8	76.7	74.5
1935	81.0	83.6	83.4	84.5	81.9	80.5	82.5	85.8	88.3	90.3	91.5	93.2	85.5
1936	92.4	88.2	90.2	93.6	95.8	97.0	99.6	101.2	100.3	105.4	110.0	114.9	99.1
1937	113.6	115.2	118.6	124.3	125.6	124.0	125.6	126.0	120.6	119.0	108.6	98.0	118.3
1938	90.6	89.5	87.2	85.2	83.9	82.5	85.5	90.3	94.7	96.5	99.4	102.1	90.6
1939	101.7	100.2	99.4	98.4	98.5	101.2	102.4	105.7	109.7	117.2	120.2	122.0	106.4
1940	119.8	114.3	111.8	110.9	111.5	114.6	117.3	122.3	128.4	132.0	135.8	141.8	121.6
1941	145.0	145.9	147.0	152.7	164.3	175.2	182.2	182.9	187.5				
1942													

Bureau of Agricultural Economics

Compiled largely from Bureau of Labor Statistics index numbers of factory pay rolls on 1923-25 base, corrected for seasonal variation and converted to 1935-39 base, although for years prior to 1919, except 1909 and 1914, use was also made of data developed by Paul Douglas (Real Wages in the United States, 1890-1926) and State of New York Department of Labor data. The monthly average of factory wage payments during the 1935-39 base period was $711,921,000. 1/ These are averages of monthly index numbers before adjustment for seasonal variation and may differ slightly from averages of the corrected index numbers.

Table 5.-- Factory pay roll per employed worker, United States, 1909 to date 11.3.41

Index numbers 1935-39 = 100, not adjusted for seasonal variation

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual 1/
1909													46.3
1910													49.9
1911													48.1
1912													49.0
1913													51.7
1914						53.9	51.5	51.7	50.9	50.6	51.3	53.3	51.8
1915	49.7	52.3	53.4	52.6	54.3	54.4	51.9	53.2	52.3	54.9	56.1	57.2	53.5
1916	53.9	58.2	59.3	59.4	61.5	61.6	57.7	60.2	61.3	63.0	65.6	66.7	60.7
1917	64.6	64.9	67.8	65.2	71.4	71.9	69.3	72.0	72.7	78.6	81.7	81.2	71.8
1918	74.4	75.2	81.7	83.5	89.7	89.9	92.1	99.8	101.2	107.2	99.5	106.3	91.7
1919	101.5	99.8	100.1	99.0	99.2	100.8	101.5	105.2	108.0	105.7	108.7	114.5	103.9
1920	117.8	117.1	122.7	121.3	125.2	127.8	126.1	126.9	126.8	126.8	124.2	122.7	123.8
1921	114.7	110.9	110.5	108.3	106.8	105.3	101.6	102.7	99.9	97.1	95.8	99.4	104.3
1922	95.6	97.0	98.1	97.1	99.1	101.0	100.2	102.1	103.4	103.9	106.3	107.8	101.2
1923	106.0	107.9	110.9	111.6	115.4	114.7	111.2	111.2	111.4	115.2	114.2	114.9	112.1
1924	111.7	116.2	116.0	115.3	114.1	110.8	106.5	109.6	110.9	112.6	111.4	114.9	112.6
1925	112.4	116.1	117.2	114.5	116.3	113.9	112.2	113.2	110.4	116.0	116.3	117.2	114.6
1926	113.8	117.2	118.2	116.6	116.1	116.3	112.8	115.3	114.2	117.9	116.1	116.8	115.9
1927	113.0	118.3	119.5	118.4	119.0	117.0	113.6	116.0	114.1	115.9	114.1	117.2	116.3
1928	114.6	118.8	119.1	117.0	118.2	117.9	115.1	117.1	116.2	119.6	117.0	118.4	117.4
1929	115.4	120.3	121.3	120.9	121.4	119.4	114.4	117.5	117.3	118.0	113.4	113.6	117.8
1930	111.1	114.5	115.1	114.5	113.6	112.2	106.3	105.6	105.7	105.6	102.3	102.8	109.4
1931	99.3	104.1	105.7	104.0	103.3	100.2	97.0	96.5	92.2	92.5	90.7	90.7	98.2
1932	87.1	88.0	86.5	82.8	81.1	78.3	74.8	74.7	75.3	77.1	74.3	73.5	79.6
1933	72.0	72.3	69.5	71.5	75.2	77.6	78.1	81.6	81.6	81.6	79.9	80.3	77.3
1934	80.5	84.9	87.2	88.6	88.6	86.8	82.3	84.3	82.3	84.3	83.9	87.4	85.1
1935	88.0	91.6	92.5	92.5	90.3	89.4	88.1	91.2	92.5	94.4	93.9	96.6	91.7
1936	94.3	93.4	96.9	97.8	98.6	98.2	95.9	97.6	95.0	100.2	101.8	105.4	98.0
1937	102.2	105.2	108.8	111.4	111.7	110.3	107.4	109.5	105.7	107.5	101.2	97.9	106.7
1938	93.6	95.9	96.5	95.2	95.7	94.8	94.4	97.6	99.4	102.0	101.2	103.6	97.6
1939	101.3	102.5	103.5	101.3	101.7	103.2	100.5	103.6	104.0	108.7	108.5	110.5	104.3
1940	107.5	106.9	108.1	107.2	107.8	109.1	107.6	111.0	113.3	115.4	115.6	119.1	110.8
1941	118.2	121.7	123.8	124.2	130.5	134.6	132.2	134.4	135.9				
1942													

Continued -

Table 5.- Factory pay roll per employed worker, United States, 1909 to date - Continued

Index numbers 1935-39 = 100, not adjusted for seasonal variation

Bureau of Agricultural Economics

Annual index numbers in this table for the years 1909, 1914, and 1916 to date are computed by use of Bureau of Labor Statistics data; for 1910-13 they are based on data compiled by Paul Douglas (Real Wages in the United States 1890-1926, page 246). The 1915 annual estimate is an average of two computations, one based on the relation of Douglas' estimate for 1915 to that for 1916, the other on the relation of average weekly pay rolls in New York State factories in 1915 to those in 1916 (tha Industrial Bulletin, State of New York Department of Labor, January 1941).

The monthly index numbers November 1915 to date are based on Bureau of Labor Statistics data; those for January-October 1915, on the average of two computations, one based on the month-to-month relation of pay rolls in 1915 to those in 1916 determined by use of estimates of the monthly average annual rate of earnings by Douglas, the other based on a similar computation by use of average weekly pay rolls in New York State factories. For June-December 1914 the monthly estimates are based on the month-to-month relation of average weekly earnings in New York State factories to those for corresponding months of 1915.

For the period January 1919 to date the monthly index numbers are obtained by converting both the employment and pay roll index numbers, reported by the Bureau of Labor Statistics with 1923-25 = 100, to a 1935-39 base and then dividing the pay roll by the employment index numbers.

The monthly pay roll averaged $92.11 per employed worker during the 1935-39 base period.

1/ Annual data or annual averages of monthly data on employment and pay rolls were used in computation of these annual index numbers and they may differ slightly from annual averages of the monthly pay roll per employed worker index numbers.

Table 6.- Factory pay roll per employed worker, United States, 1909 to date 11.3.41

Index numbers, 1935-39 = 100, adjusted for seasonal variation

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual 1/
1909													46.3
1910													49.9
1911													48.1
1912													49.0
1913													51.7
1914						53.0	53.3	52.4	51.7	49.4	50.3	51.6	51.8
1915	52.1	52.8	52.6	53.5	52.9	53.5	53.7	53.8	53.2	53.6	55.0	55.4	53.5
1916	56.6	58.8	58.4	60.4	59.9	60.5	60.8	61.0	62.3	61.5	64.2	64.6	60.7
1917	67.7	65.5	66.7	66.3	69.6	70.6	71.7	72.9	73.7	76.7	80.1	78.5	71.8
1918	78.0	76.0	80.4	84.9	87.4	88.3	95.3	101.1	102.8	104.7	97.5	102.9	91.7
1919	103.8	98.0	97.2	96.9	97.7	100.3	104.3	106.4	109.4	105.3	110.3	114.5	103.9
1920	120.5	115.3	119.0	118.9	123.4	127.2	130.2	128.7	128.5	126.2	125.9	122.6	123.8
1921	117.6	109.4	107.3	105.9	105.1	104.4	104.3	103.6	101.1	96.9	97.3	99.5	104.3
1922	97.9	95.9	95.3	95.0	97.6	100.4	103.0	103.4	104.9	103.5	107.8	107.8	101.2
1923	108.7	107.3	108.3	109.8	113.6	114.0	113.9	111.8	112.6	114.6	115.7	114.7	112.1
1924	114.5	115.8	113.2	113.2	112.3	110.1	108.9	110.1	111.9	112.2	112.7	114.8	112.6
1925	115.1	115.5	114.2	112.5	114.4	113.2	114.7	113.9	112.1	115.8	117.7	116.7	114.6
1926	116.3	116.3	115.4	114.5	114.4	115.6	115.1	116.1	116.1	117.8	117.4	116.3	115.9
1927	115.5	117.2	116.5	116.2	117.0	116.3	116.2	116.8	116.0	116.0	115.2	116.5	116.3
1928	116.8	117.5	115.9	115.0	116.4	117.4	118.1	118.2	118.5	119.7	118.0	117.3	117.4
1929	117.2	119.0	117.7	119.1	119.8	118.8	117.4	118.9	120.0	118.7	114.7	112.7	117.8
1930	112.9	113.4	111.8	112.7	112.3	111.6	109.0	106.8	109.1	106.3	103.3	102.0	109.4
1931	100.5	103.1	102.7	102.3	101.8	99.6	98.9	97.3	94.5	93.0	91.6	90.7	98.2
1932	88.5	87.4	84.0	81.4	79.9	77.5	76.4	75.4	76.9	77.4	75.1	73.4	79.6
1933	73.0	71.8	67.4	70.2	74.0	76.8	79.6	82.1	83.4	82.0	80.5	80.1	77.2
1934	81.8	84.5	84.9	87.5	87.5	86.1	84.1	85.6	84.3	84.2	84.3	87.0	85.1
1935	89.2	91.0	90.2	91.3	89.1	88.4	89.8	92.4	94.0	95.1	95.1	96.4	91.7
1936	95.7	92.5	94.4	96.4	97.1	97.0	97.7	98.5	96.7	100.8	103.1	105.3	98.0
1937	103.6	104.1	105.8	109.7	110.0	109.3	109.6	110.6	107.2	108.1	102.5	97.7	106.7
1938	95.0	94.9	93.9	93.7	94.2	93.6	96.1	99.0	101.9	102.8	102.7	103.4	97.6
1939	102.9	101.4	100.7	99.8	100.2	101.9	101.9	104.7	106.6	109.5	110.0	110.4	104.3
1940	109.0	105.8	105.3	105.6	106.2	108.0	109.3	111.5	115.5	116.1	116.5	119.1	110.8
1941	120.0	120.5	120.6	122.6	128.9	133.3	133.9	134.7	138.6				
1942													

Continued -

Table 6.- Factory pay roll per employed worker, United States, 1909 to date - Continued

Index numbers, 1935-39 = 100, adjusted for seasonal variation

Bureau of Agricultural Economics

Annual index numbers in this table for the years 1909, 1914, and 1916 to date are computed by use of Bureau of Labor Statistics data; for 1910-13 they are based on data compiled by Paul Douglas (Real Wages in the United States 1890-1926, page 246). The 1915 annual estimate is an average of two computations, one based on the relation of Douglas' estimate for 1915 to that for 1916, the other on the relation of average weekly pay rolls in New York State factories in 1915 to those in 1916 (the Industrial Bulletin, State of New York Department of Labor, January 1941).

The monthly index numbers November 1915 to date are based on Bureau of Labor Statistics data; those for January-October 1915, on the average of two computations, one based on the month-to-month relation of pay rolls in 1915 to those in 1916 determined by use of estimates of the monthly average annual rate of earnings by Douglas, the other based on a similar computation by use of average weekly pay rolls in New York State factories. For June-December 1914 the monthly estimates are based on the month-to-month relation of average weekly earnings in New York State factories to those for corresponding months of 1915.

Seasonal adjustments of the Bureau of Labor Statistics factory employment index numbers from January 1919 to date are made by the Federal Reserve and those for pay rolls by the Bureau of Agricultural Economics. The adjusted index numbers of pay rolls divided by the adjusted index numbers of employment after each series has been shifted from a 1923-25 to a 1935-39 base, gives the adjusted index numbers of pay rolls per employed worker in this table for the period 1919 to date. Prior to 1919 the index numbers of pay rolls per worker were adjusted for seasonal variation by use of the Standard Method of the Bureau of Agricultural Economics.

The monthly pay roll averaged $92.11 per employed worker during the 1935-39 base period.

1/ Computed by use of annual or of annual averages of unadjusted monthly employment and pay roll index numbers and may differ slightly from averages of the corrected monthly index numbers.

Table 7.- Hourly earnings of factory workers, United States, 1909 to date 11.3.41

Index numbers, 1935-39 = 100

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual 1/
1909													31.7
1910													32.9
1911													33.4
1912													34.9
1913													36.3
1914						37.0	37.0	36.5	36.2	35.9	36.2	36.2	36.7
1915	36.2	36.3	36.3	36.7	37.0	37.3	37.7	38.0	38.5	38.8	39.3	39.8	37.7
1916	40.0	40.5	41.0	41.3	42.0	42.7	43.5	43.8	44.5	44.9	45.1	45.7	42.9
1917	46.2	47.0	47.9	48.8	49.8	50.8	51.5	52.1	53.1	54.3	55.8	56.9	51.2
1918	58.4	60.4	62.2	64.1	65.3	66.9	68.4	69.9	71.2	72.2	72.9	73.4	67.1
1919	73.8	73.8	74.0	74.0	74.7	75.7	77.5	79.3	81.1	83.4	85.9	88.5	78.5
1920	90.9	92.4	93.7	95.0	95.3	95.8	95.6	96.2	97.0	97.0	96.5	95.4	95.1
1921	92.3	90.0	88.0	86.7	84.5	83.6	81.3	80.6	79.1	78.0	77.8	77.0	83.2
1922	73.7	74.3	74.8	74.0	75.1	76.2	75.4	76.2	78.0	78.8	79.4	79.8	76.3
1923	79.4	80.3	80.8	83.6	86.6	86.7	86.6	87.1	88.6	88.7	88.7	88.9	85.5
1924	88.8	89.3	89.6	89.6	89.6	89.1	89.5	89.3	90.5	89.8	90.0	89.8	89.6
1925	89.3	89.1	89.6	90.0	90.0	89.6	89.1	89.1	89.3	89.6	89.3	89.5	89.5
1926	88.8	89.3	89.8	90.0	90.1	90.3	90.1	90.1	90.6	90.6	91.1	90.5	90.1
1927	90.2	90.7	90.2	90.5	90.7	90.9	90.7	90.9	91.3	91.4	91.0	91.1	90.8
1928	90.8	91.0	91.6	92.3	92.1	92.1	91.9	92.1	93.1	93.4	92.3	91.9	92.1
1929	92.9	93.2	93.0	93.5	93.9	93.4	92.7	93.0	93.4	93.1	92.8	92.3	93.1
1930	92.3	92.1	91.8	92.1	91.3	91.0	90.8	90.8	90.3	89.5	88.8	88.2	90.8
1931	88.2	87.0	86.7	86.3	85.7	84.7	84.2	85.2	84.5	83.7	82.1	82.1	85.0
1932	81.3	79.9	78.9	78.5	77.6	76.2	75.7	73.5	71.1	70.2	70.1	70.1	75.3
1933	69.2	68.9	69.1	68.4	67.6	66.9	67.6	77.6	82.4	83.6	83.9	35.0	74.8
1934	86.5	86.2	86.5	88.2	89.0	89.3	90.3	90.0	90.5	89.8	90.1	91.1	89.0
1935	91.6	91.9	92.3	92.4	92.4	92.9	91.9	91.8	91.0	91.3	91.6	92.4	91.9
1936	92.6	92.3	92.4	92.6	92.6	92.6	92.4	92.1	91.6	92.4	93.6	95.9	92.8
1937	96.5	97.4	99.3	103.5	105.3	105.9	106.6	106.6	106.4	107.7	107.9	107.9	104.3
1938	107.2	106.4	106.1	105.6	105.3	104.9	103.8	102.8	103.0	104.3	105.1	105.6	105.1
1939	105.9	105.8	106.1	105.6	105.8	105.6	104.8	104.3	104.9	106.3	107.4	108.9	105.9
1940	109.0	109.0	109.4	109.4	110.0	110.5	109.7	109.9	110.4	110.7	111.5	112.3	110.2
1941	113.3	113.8	114.6	116.4	119.4	121.4	122.4	122.5					
1942													

Continued -

Table 7.- Hourly earnings of factory workers, United States, 1909 to date - Continued

Index numbers, 1935-39 = 100

Bureau of Agricultural Economics

Annual index numbers in this table are based on Bureau of Labor Statistics data for years 1909, 1914, 1919 and 1923 to date. For other years factory hourly earnings, studies of the National Industrial Conference Board and those by Paul Douglas, and Bureau of Labor Statistics estimates of trends in nonagricultural wages per hour are used as a basis for the annual estimates.

Monthly index numbers from January 1932 to date are based on average hourly earnings reported by the Bureau of Labor Statistics; from June 1920 to December 1931 (except the first half of 1922) on National Industrial Conference Board data; and for the period June 1914 to May 1920 on the average annual relationship of hourly to weekly earnings and monthly estimates of weekly earnings. Average hourly earnings during the 1935-39 base period were 60.8 cents.

1/ Beginning with 1932 both the monthly and annual index numbers are computed by use of regularly reported Bureau of Labor Statistics hourly earnings data and the annual index numbers may differ slightly from averages of the monthly index numbers.

TABLE 8.- ECONOMIC TRENDS AFFECTING AGRICULTURE

INDEX NUMBERS: INDICATED BASE PERIOD = 100

YEAR AND MONTH	INDUSTRIAL PRODUCTION[1]	FACTORY EMPLOYMENT[2]	FACTORY PAY ROLLS[2]	INCOME OF INDUSTRIAL WORKERS[3]	VOLUME OF AGRICULTURAL EXPORTS[4]	WHOLESALE PRICES OF ALL COMMODITIES[5]	RETAIL FOOD PRICES[6]	PRICES RECEIVED BY FARMERS[7]	PRICES PAID BY FARMERS	PRICES PAID BY FARMERS, INTEREST AND TAXES	RATIO OF PRICES RECEIVED TO PRICES PAID INCL. INTEREST & TAXES	CASH INCOME FROM FARM MARKETINGS[8]
Base Period	*1935-39*	*1935-39*	*1935-39*	*1935-39*	*1935-39*	*1935-39*	*1935-39*	*1910-14*	*1910-14*	*1910-14*	*1910-14*	*1910-14*
1929	110	108	127	134	162	118	133	146	153	166	88	190
1930	91	94	103	110	138	107	126	126	145	158	80	152
1931	75	80	78	85	134	91	104	87	124	138	63	107
1932	58	68	54	59	143	80	86	65	107	120	54	80
1933	69	75	58	61	131	82	84	70	109	118	59	89
1934	75	88	74	77	102	93	94	90	123	128	70	106
1935	87	93	86	87	95	99	100	108	125	130	83	119
1936	103	101	99	100	88	100	101	114	124	129	88	139
1937	113	111	118	117	102	107	105	121	130	134	90	148
1938	89	93	91	91	116	98	98	95	122	127	75	129
1939	108	102	106	105	100	96	95	93	121	127	73	132
1940	123	110	122	119	72	98	97	98	123	128	77	141
1940-												
Sept.	127	111	128	124	31	97	97	97	122	127	76	137
Oct.	130	114	132	127	40	98	96	99	122	127	78	147
Nov.	134	117	136	130	33	99	96	99	122	127	78	145
Dec.	139	119	142	135	31	99	97	101	123	128	79	156
1941-												
Jan.	140	121	145	138	28	100	98	104	123	128	81	158
Feb.	144	121	146	139	38	100	98	103	123	128	80	153
Mar.	147	122	147	141	47	101	98	103	124	129	80	161
Apr.	144	125	153	142	48	103	101	110	124	129	85	169
May	154	128	164	157	66	105	102	112	125	130	86	176
June	159	131	175	167	71	108	106	118	128	132	89	175
July	160	136	182	173	93	110	107	125	129	133	94	179
Aug.	160	136	183	174	79	112	108	131	131	135	97	186
Sept[9]	160	135	187	176	--	114	111	139	133	137	101	200
Oct.[9]	162	--	--	--	--	114	112	139	136	138	101	--

[1]Federal Reserve Board, adjusted for seasonal variation. Revised September 1941.

[2]Bureau of Labor Statistics, adjusted for seasonal variation and converted from the 1923-25 base (employment adjusted by Federal Reserve and pay rolls by Bureau of Agricultural Economics).

[3]Adjusted for seasonal variation. Includes factory, railroad, and mining employees. Revised November 1941. To convert to 1924-29 base, multiply by 78.0744 percent.

[4]Foreign Agricultural Relations, adjusted for seasonal variation and converted from the 1924-29 base by multiplying by 172.414 percent. Revised April 1941.

[5]Bureau of Labor Statistics, 1926 = 100 converted to 1935-39 = 100 by multiplying by 124.069 percent.

[6]Bureau of Labor Statistics.

[7]August 1909-July 1914 = 100.

[8]Adjusted for seasonal variation, converted from 1924-29 = 100 to 1910-14 = 100.

[9]Preliminary.

Note: In comparing trends between industrial production and industrial workers' income, as indicated by the above index numbers, notice should be taken of the fact that income of railway workers, as well as incomes of mining and factory workers, is included in the index of industrial workers' income, whereas the industrial production index is based on mining and manufacturing only. Similar precautions are necessary in comparing trends between industrial production and factory employment and pay rolls. Another consideration of importance is that the production index is based on volume, whereas the income indexes are affected by changes in wage rates as well as by time worked. In comparing monthly indexes it is important to keep in mind the fact that there is usually a time lag between changes in volume of production and similar changes in employment and in workers' income.